

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
United Religions (dba United Religions Initiative)

Opinion

We have audited the accompanying combined financial statements of United Religions (dba United Religions Initiative) (a nonprofit organization), which comprise the combined statements of financial position as of December 31, 2023 and 2022, and the related combined statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements referred to above present fairly, in all material respects, the financial position of United Religions (dba United Religions Initiative) as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of United Religions (dba United Religions Initiative) and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about United Religions (dba United Religions Initiative)'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that auditing conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

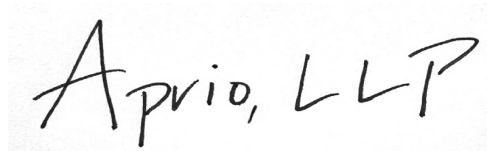
In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of United Religions (dba United Religions Initiative)'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about United Religions (dba United Religions Initiative)'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying supplemental information shown on pages 28 - 29 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Aprivo, LLP". The signature is written in a cursive, flowing style.

San Francisco, CA
August 26, 2024

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
COMBINED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31,**

ASSETS

	<u>2023</u>	<u>2022</u>
<u>Current assets</u>		
Cash and cash equivalents	\$ 834,068	\$ 567,292
Investments	5,264	2,767
Pledges receivable	535,595	69,394
Prepays and other assets	<u>85,803</u>	<u>95,030</u>
Total current assets	1,460,730	734,483
<u>Other</u>		
Investments held for long-term purposes	13,845,508	13,810,849
Pledges receivable	460,241	-
Property and equipment, net	4,528	16,535
Right of use asset - operating, net	63,022	27,013
Deposits	<u>17,094</u>	<u>17,094</u>
Total assets	<u>\$15,851,123</u>	<u>\$14,605,974</u>

LIABILITIES AND NET ASSETS

<u>Current liabilities</u>		
Accounts payable and accrued expenses	\$ 354,989	\$ 129,248
Paycheck Protection Program loan	-	275,735
Accrued vacation	96,868	92,761
Deferred revenue	5,000	5,000
Lease liability, current portion	<u>23,367</u>	<u>27,013</u>
Total current liabilities	<u>480,224</u>	<u>529,757</u>
<u>Long-term liabilities</u>		
Lease liability	<u>61,861</u>	<u>-</u>
<u>Net assets</u>		
Without donor restrictions	9,310,819	9,080,958
With donor restrictions	<u>5,998,219</u>	<u>4,995,259</u>
Total net assets	<u>15,309,038</u>	<u>14,076,217</u>
Total liabilities and net assets	<u>\$15,851,123</u>	<u>\$14,605,974</u>

See independent auditors' report and notes to the combined financial statements

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Support and Revenue</u>			
Support			
Grants and contributions	\$ 1,168,006	\$ 2,031,967	\$ 3,199,973
In-kind contributions	22,923	-	22,923
Net assets released from restrictions	<u>1,703,823</u>	<u>(1,703,823)</u>	<u>-</u>
Total support	<u>2,894,752</u>	<u>328,144</u>	<u>3,222,896</u>
Revenue			
Investment return, net of expenses	1,200,376	674,816	1,875,192
Paycheck Protection Program loan forgiveness	275,735	-	275,735
Other income	<u>313</u>	<u>-</u>	<u>313</u>
Total revenue	<u>1,476,424</u>	<u>674,816</u>	<u>2,151,240</u>
Total support and revenue	<u>4,371,176</u>	<u>1,002,960</u>	<u>5,374,136</u>
<u>Operating Expenses</u>			
Program expenses:			
Global Community Development	2,554,156	-	2,554,156
Global Community Council	220,713	-	220,713
Communications	251,030	-	251,030
Education and outreach	207,998	-	207,998
Environment	<u>92,259</u>	<u>-</u>	<u>92,259</u>
Total program services	<u>3,326,156</u>	<u>-</u>	<u>3,326,156</u>
Supporting services:			
Management and general	482,903	-	482,903
Foundation expenses	89,381	-	89,381
Fundraising	<u>242,875</u>	<u>-</u>	<u>242,875</u>
Total supporting services	<u>815,159</u>	<u>-</u>	<u>815,159</u>
Total operating expenses	<u>4,141,315</u>	<u>-</u>	<u>4,141,315</u>
Change in net assets	229,861	1,002,960	1,232,821
Net assets, beginning of year	<u>9,080,958</u>	<u>4,995,259</u>	<u>14,076,217</u>
Net assets, end of year	<u>\$ 9,310,819</u>	<u>\$ 5,998,219</u>	<u>\$15,309,038</u>

See independent auditors' report and notes to the combined financial statements

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
COMBINED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Without Donor Restrictions	With Donor Restrictions	Total
<u>Support and Revenue</u>			
Support			
Grants and contributions	\$ 1,872,833	\$ 241,962	\$ 2,114,795
In-kind contributions	28,409	-	28,409
Net assets released from restrictions	<u>267,975</u>	<u>(267,975)</u>	<u>-</u>
Total support	<u>2,169,217</u>	<u>(26,013)</u>	<u>2,143,204</u>
Revenue			
Investment return, net of expenses	(2,123,896)	(952,872)	(3,076,768)
Other income	(214)	-	(214)
Loss on disposal of assets	<u>(1,364)</u>	<u>-</u>	<u>(1,364)</u>
Total revenue	<u>(2,125,474)</u>	<u>(952,872)</u>	<u>(3,078,346)</u>
Total support and revenue	<u>43,743</u>	<u>(978,885)</u>	<u>(935,142)</u>
<u>Operating Expenses</u>			
Program services			
Global Community Development	1,769,520	-	1,769,520
Global Community Council	221,107	-	221,107
Communications	228,701	-	228,701
Education and outreach	211,842	-	211,842
Environment	<u>62,752</u>	<u>-</u>	<u>62,752</u>
Total program services	<u>2,493,922</u>	<u>-</u>	<u>2,493,922</u>
Supporting services:			
Management and general	404,202	-	404,202
Foundation expenses	54,880	-	54,880
Fundraising	<u>212,807</u>	<u>-</u>	<u>212,807</u>
Total supporting services	<u>671,889</u>	<u>-</u>	<u>671,889</u>
Total operating expenses	<u>3,165,811</u>	<u>-</u>	<u>3,165,811</u>
Change in net assets	(3,122,068)	(978,885)	(4,100,953)
Net assets, beginning of year	<u>12,203,026</u>	<u>5,974,144</u>	<u>18,177,170</u>
Net assets, end of year	<u>\$ 9,080,958</u>	<u>\$ 4,995,259</u>	<u>\$14,076,217</u>

See independent auditors' report and notes to the combined financial statements

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	Program Services					Supporting Services				Total
	Global Programs	Global Council	Communications	Education and Outreach	Environment	Total Program Services	Management and General	Foundation	Fundraising	
Personnel costs										
Salaries	\$ 986,384	\$ 124,368	\$ 69,860	\$ 154,046	\$ 25,459	\$ 1,360,117	\$ 120,505	\$ 50,035	\$ 113,667	\$ 1,644,324
Payroll taxes	68,537	8,948	3,492	9,937	3,469	94,383	8,535	3,573	8,833	115,324
Employee benefits	188,061	24,494	10,118	30,658	10,005	263,336	23,374	11,807	23,058	321,575
457 (F) Deferred Compensation	-	-	-	-	-	-	180,000	-	-	180,000
Total personnel costs	1,242,982	157,810	83,470	194,641	38,933	1,717,836	332,414	65,415	145,558	2,261,223
Other										
Grants	674,474	-	-	-	-	674,474	-	-	-	674,474
Professional services	124,620	33,383	128,937	1,918	1,370	290,228	18,418	-	4,124	312,770
Global Conference	273,272	-	3,023	-	2,434	278,729	(417)	-	-	278,312
Occupancy	48,779	6,381	4,252	3,720	2,657	65,789	4,252	-	5,315	75,356
Events/Programs/COL	250	-	192	-	50	492	-	-	65,750	66,242
Legal fees	3,750	-	6,580	-	-	10,330	39,161	-	-	49,491
Depreciation and amortization	-	-	-	-	-	-	12,007	-	-	12,007
Accounting fees	11,250	2,700	1,800	1,575	1,125	18,450	1,800	23,900	2,250	46,400
Travel - General	25,632	5,142	1,755	-	111	32,640	22,637	66	9,893	65,236
Travel - Program	49,787	-	2,929	-	6,322	59,038	273	-	-	59,311
Bank fees	-	-	-	-	-	-	33,289	-	-	33,289
Payroll Fees	15,075	3,618	2,412	2,111	1,508	24,724	2,412	-	3,015	30,151
Insurance	11,243	3,220	2,146	1,878	1,341	19,828	2,146	-	2,683	24,657
Telephone	6,806	447	434	261	186	8,134	1,538	-	852	10,524
Equipment rental and maintenance	3,735	902	594	504	372	6,107	579	-	743	7,429
Printing and copying	446	2,273	4,878	25	18	7,640	177	-	35	7,852
Software purchase and maintenance	1,918	296	4,520	172	123	7,029	341	-	266	7,636
Taxes, licenses and fees	-	-	-	-	-	-	7,275	-	-	7,275
Internet/Web	2,690	-	1,107	792	-	4,589	388	-	360	5,337
Supplies	1,473	44	220	-	121	1,858	2,403	-	364	4,625
Postage and Shipping	523	70	1,025	21	22	1,661	1,390	-	1,369	4,420
Miscellaneous	38,633	4,427	456	380	35,516	79,412	420	-	298	80,130
Dues and subscriptions	135	-	300	-	-	435	-	-	-	435
SEED Grants	4,000	-	-	-	-	4,000	-	-	-	4,000
Meetings, workshop and training	12,683	-	-	-	50	12,733	-	-	-	12,733
Total other expenses	1,311,174	62,903	167,560	13,357	53,326	1,608,320	150,489	23,966	97,317	1,880,092
Total functional expenses	\$ 2,554,156	\$ 220,713	\$ 251,030	\$ 207,998	\$ 92,259	\$ 3,326,156	\$ 482,903	\$ 89,381	\$ 242,875	\$ 4,141,315

See independent auditors' report and notes to the combined financial statements

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Program Services					Supporting Services				Total
	Global Programs	Global Council	Communications	Education and Outreach	Environment	Total Program Services	Management and General	Foundation	Fundraising	
Personnel costs										
Salaries	\$ 698,240	\$ 129,134	\$ 113,166	\$ 154,315	\$ 34,060	\$ 1,128,915	\$ 181,783	\$ 36,003	\$ 119,932	\$ 1,466,633
Severance	-	-	-	-	-	-	17,554	-	-	17,554
Payroll Taxes	44,651	9,384	6,327	10,750	4,316	75,428	11,201	2,769	11,363	100,761
Employee benefits	<u>93,023</u>	<u>20,938</u>	<u>12,197</u>	<u>20,805</u>	<u>6,960</u>	<u>153,923</u>	<u>24,307</u>	<u>7,406</u>	<u>24,484</u>	<u>210,120</u>
Total personnel costs	<u>835,914</u>	<u>159,456</u>	<u>131,690</u>	<u>185,870</u>	<u>45,336</u>	<u>1,358,266</u>	<u>234,845</u>	<u>46,178</u>	<u>155,779</u>	<u>1,795,068</u>
Other										
Grants	620,274	-	-	-	-	620,274	-	-	-	620,274
Other professional services	15,130	7,664	50	-	525	23,369	1,756	-	-	25,125
Professional services	71,289	15,031	58,830	10,857	2,831	158,838	44,522	2,600	13,435	219,395
Occupancy	54,119	12,996	8,659	7,577	5,412	88,763	8,659	-	10,824	108,246
Legal fees	-	-	-	-	-	-	16,349	-	-	16,349
Depreciation and amortization	-	-	-	-	-	-	38,109	-	-	38,109
Accounting fees	17,500	4,200	2,800	2,450	1,750	28,700	2,800	5,000	3,500	40,000
Payroll fees	13,335	2,564	2,308	2,308	256	20,771	2,684	770	2,308	26,533
Insurance	11,170	2,681	1,787	1,564	1,117	18,319	1,787	-	2,233	22,339
Bank fees	-	-	-	-	-	-	21,990	-	-	21,990
Equipment rental and maintenance	3,523	845	563	493	352	5,776	343	-	704	6,823
Postage and shipping	301	60	6,575	35	190	7,161	2,666	-	2,566	12,393
Internet/ Web	3,403	3,559	2,522	414	-	9,898	269	-	-	10,167
Telephone	4,533	428	1,697	250	178	7,086	2,160	-	1,317	10,563
Printing and copying	169	41	9,785	24	17	10,036	371	-	4,981	15,388
Travel - General	45,886	8,889	90	-	380	55,245	19,267	-	4,814	79,326
Supplies	217	-	304	-	242	763	2,269	332	-	3,364
Taxes, licenses and fees	1,710	194	50	-	-	1,954	1,798	-	-	3,752
Travel - Program	64,020	1,044	-	-	2,502	67,566	(1,665)	-	-	65,901
Events/Programs/COL	-	-	-	-	-	-	-	-	9,225	9,225
SEED Grants	3,950	-	-	-	-	3,950	-	-	-	3,950
Miscellaneous	1,585	-	-	-	200	1,785	500	-	-	2,285
Dues and Subscriptions	-	-	407	-	-	407	-	-	-	407
Global Conference	-	1,280	-	-	-	1,280	-	-	-	1,280
Software purchase and maintenance	606	135	584	-	500	1,825	1,460	-	180	3,465
Meetings, workshops and training	<u>886</u>	<u>40</u>	<u>-</u>	<u>-</u>	<u>964</u>	<u>1,890</u>	<u>1,263</u>	<u>-</u>	<u>941</u>	<u>4,094</u>
Total other expenses	<u>933,606</u>	<u>61,651</u>	<u>97,011</u>	<u>25,972</u>	<u>17,416</u>	<u>1,135,656</u>	<u>169,357</u>	<u>8,702</u>	<u>57,028</u>	<u>1,370,743</u>
Total functional expenses	<u>\$ 1,769,520</u>	<u>\$ 221,107</u>	<u>\$ 228,701</u>	<u>\$ 211,842</u>	<u>\$ 62,752</u>	<u>\$ 2,493,922</u>	<u>\$ 404,202</u>	<u>\$ 54,880</u>	<u>\$ 212,807</u>	<u>\$ 3,165,811</u>

See independent auditors' report and notes to the combined financial statements

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
COMBINED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31**

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities		
Change in net assets	\$ <u>1,232,821</u>	\$ <u>(4,100,953)</u>
Adjustments to reconcile change in net assets to net cash (used in) operating activities:		
Depreciation and amortization	12,007	38,109
Net realized and unrealized (gains) losses on investments	(1,664,788)	3,240,291
Donated stock	-	(1,029)
Loss on disposal of assets	-	1,364
Noncash lease expense	(36,009)	106,680
Paycheck protection program loan forgiveness	(275,735)	-
Changes in operating assets and liabilities:		
Pledges receivable	(926,442)	(21,475)
Prepaid expenses and other assets	9,227	(16,235)
Accounts payable and accrued expenses	227,871	7,036
Accrued vacation	1,977	4,971
Lease liability	<u>58,214</u>	<u>(106,680)</u>
Total adjustments	<u>(2,593,678)</u>	<u>3,253,032</u>
Net cash used in operating activities	<u>(1,360,857)</u>	<u>(847,921)</u>
<u>Cash flows from investing activities</u>		
Purchases of equipment	-	(9,766)
Purchases of securities	(1,270,028)	(4,757,918)
Proceeds from sales of investments	<u>2,897,661</u>	<u>4,688,354</u>
Net cash provided by (used in) investing activities	<u>1,627,633</u>	<u>(79,330)</u>
<u>Cash flows from financing activities</u>		
Net cash Provided by financing activities	<u>-</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents	266,776	(927,251)
Cash and cash equivalents, beginning of year	<u>567,292</u>	<u>1,494,543</u>
Cash and cash equivalents, end of year	<u>\$ 834,068</u>	<u>\$ 567,292</u>

See independent auditors' report and notes to the combined financial statements

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note A

Nature of Organization

With a purpose of promoting peace, justice and healing, United Religions Initiative (URI)'s network has grown to over 1,100 member groups in over 110 countries. These groups, called Cooperation Circles (CCs), are comprised of people representing at least three different religions, traditions or beliefs willing to engage in interfaith dialogue and collaborate on humanitarian efforts in their community. Utilizing this dual strategy approach, URI Cooperation Circles participate in topics including interfaith dialogue, care for individuals in need, educating children, preventing violence against women, improving the environment, resolving conflicts, and negotiating peace – among many other local and global key issues.

Founded in 2000, URI is a 501(c)(3) international organization registered in the State of California. Its purpose is to promote enduring, daily interfaith cooperation, end religiously motivated violence and create cultures of peace, justice and healing. URI engages people at the grassroots level to build bridges of understanding across religious and cultural differences, working together for the good of their communities and the world. URI implements its mission by creating a vital transformative network that connects, enables, trains and amplifies the work of locally-based groups. URI's network enables grassroots leaders to self-organize in accordance with URI's purpose and principles, implement local initiatives, exchange inspiring ideas and knowledge, and deepen mutual understanding and respect through strong interpersonal relationships. URI's network strengthens the capacity of member groups and organizations to engage in community actions that meet their most pressing needs, such as poverty, conflict resolution, environmental sustainability, education, women's empowerment, inter-religious dialogue and advocacy for human rights.

Governance: The Global Council

The Global Council is URI's governing Board of Trustees. Three Global Council Trustees are elected by URI's member CCs from each of eight regions of the world. The Global Council can appoint At-Large Trustees to ensure gender, faith and experience diversity. The Global Council's primary responsibilities include being the governing body of URI; carrying out URI's mission and purpose; selecting, supporting and evaluating the Executive Director; ensuring effective planning and adequate financial resources; protecting the organization's assets and providing financial oversight; and ensuring legal and ethical integrity. With trustees from 22 countries representing diverse religious and indigenous traditions, the Global Council brings its grassroots experience to URI's ongoing strategic planning, network development and global engagement and serves to increase URI's presence all over the world. The Global Council typically meets once a year in person, and three times a year by video conference call. In between these meetings, the Global Council operates through working committees that actively participate via email and video conferencing. Members of the Global Council also represent regions, and sit on Regional Leadership Teams that plan and implement regional strategies to build network benefits to member CCs and develop collective global campaigns, such as mobilizing CCs around the world to participate in the International Day of Peace on September 21.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note A

Nature of Organization (Continued)

United Religions Initiative Foundation, Inc.

The United Religions Initiative Foundation, Inc. (URI Foundation) is an independent entity operating for charitable purposes as a support organization under 509(a)(3) of the IRS code. It was created by URI's Global Council as a competent, trustworthy vehicle for managing and investing URI's endowment and strategic reserves – keys to supporting URI's core activities around the world. The Foundation Board has established an Investment Committee as well as Investing and Spending Policies. Working with the Investment Committee, the Foundation Board oversees investments; monitors its endowment investment performance and the usage of the funds by URI to ensure compliance with the Investment and Spending Policies; reviews and updates the Investment and Spending Policies as necessary; and coordinates the relationship with investment advisors and managers to ensure optimal performance of the endowment and strategic reserves.

URI Activities Include:

Global Network Development: In 22 years, URI has grown from 83 founding member organizations, called Cooperation Circles (CCs), to over 1,100 member groups in over 110 countries. URI's unique global network of grassroots CCs calls forth locally-initiated actions by self-supporting groups and organizations. CCs can be small groups organizing for the first time, or well-established organizations. Every CC must have at least seven members, and must represent at least three different religions, spiritual expressions or indigenous traditions.

URI's organizational structure includes eight regions which are staffed by 18 regional coordinators who serve CCs through programmatic approaches, supervise regional team members, coordinate regional leadership teams and more. The primary work of the regional bases is to provide direct communication with and network support for CCs. Network benefits include: helping CCs build capacity, raising visibility for CC work, assisting CCs in creating partnerships, connecting with local officials, organizing local and regional gatherings and trainings, and inspiring the development of new CCs. CCs are inspired and sustained in their work by active participation in URI's vital network with other CCs with whom they generate connection, communication, co-mentoring and shared learning. URI's Global Support Office, which is based in San Francisco, provides accountability, training and consultation for regional coordinators, and regional team members.

URI's Global Support Office oversees the operations of the URI network, energizing the network by supporting regional leadership teams, creating a flow of quality information, maintaining a CC member database, managing finance, publicizing CC impact worldwide, engaging in fundraising, and providing focused resource support and training in areas such as conflict transformation, the environment, women's empowerment, and youth leadership. The Executive Director, Chair of the URI Global Council and URI's President, working on behalf of an elected 30 member Global Council, lead the URI network and are supported by 15 global support staff.

Communications: URI's international network relies on a robust communication system. URI's global website, uri.org, is designed to magnify URI's impact, highlight CC successes, connect CCs, provide resource information to CCs, and encourage global campaigns for collective global action and more. Additionally, URI produces an Annual Impact Report, as well as other print, online and multimedia collateral for the network. In the digital media domain, URI is enhanced by engaging audiences on Facebook, Twitter, Instagram, LinkedIn, and YouTube. Given fast-paced technological change, URI's Communications Team studies new systems, makes recommendations to URI, and continually updates the website.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note A

Nature of Organization (Continued)

Education and Outreach: To strengthen the effectiveness of CCs to accomplish their goals, exchanges of various kinds of expertise take place among CC members. URI provides training to help CCs effectively take part in a global network of support and provides CCs with in-depth interviews that deepen understanding of their impact and potential. URI designs local, national and regional gatherings for CCs to meet face-to-face to share resources, receive training, and give and receive mutual support. URI collaborates with member groups worldwide to assess the impact of belonging to the URI network as both contributors to the network and receivers of benefits.

Focused Resource Support: URI provides targeted resources to support the global CC network in the areas of: conflict resolution, Indigenous rights, women's empowerment, environmental issues and youth leadership. CCs, as well as individuals and organizations with specific expertise and resources in these areas, provide an effective channel of communication, creative resourcing and education to strengthen CC capacity. URI plans to expand focused training and support in the areas of conflict resolution, environment, etc.

Note B

Summary of Significant Accounting Policies

Principles of Combination:

The combined financial statements include the accounts of United Religions (dba United Religions Initiative), and its Affiliate, The United Religions Initiative Foundation, Inc., (URI Foundation) a California non-profit organization (collectively the "Organization"). The entities are combined as a result of the common management. All material intercompany balances and transactions have been eliminated

Basis of Accounting:

The financial statements of the Organization are prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation:

Financial statement presentation is in accordance with accounting standards regarding the reporting of net assets. The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- Net Assets Without Donor Restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the Global Council.
- Net Assets With Donor Restrictions: Net assets subject to stipulations imposed by donors and grantors. Some donor-imposed restrictions may be temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions may be perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note B
Summary of Significant Accounting Policies (Continued)

Use of Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Cash and Cash Equivalents:

For the purpose of the statements of cash flows, the Organization considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits:

The Organization maintains cash balances at one commercial bank. These balances can at times exceed the FDIC insured deposit limit of \$250,000 per financial institution. At December 31, 2023 and 2022, the Organization's cash balances held at the commercial institution exceeded the FDIC limit by \$619,496 and \$0, respectively. The Organization has not experienced any losses in these accounts through the date when the financial statements were available to be issued.

Revenue Recognition:

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notifications of a beneficial interest in received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met.

The Organization recognizes contributions as restricted support if they are received with donor-imposed restrictions that limit the use of the donated assets. When a donor-imposed restriction is met or the passage of time expires, restricted net assets are reclassified to net assets without donor restrictions and presented in the accompanying statements of activities - as net assets released from restrictions. The Organization treats restricted contributions as restricted and then released if spent in the same year.

The Organization recognizes contributions of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Contributions of long-term assets with explicit restrictions that specify how the assets are to be used and contributions of cash and other assets that must be used to acquire long-term assets are recognized as restricted support. In the absence of explicit donor stipulations about how those long-term assets must be maintained, the Organization reports expirations of donor-imposed restrictions when the donated or acquired long-term assets are placed in service.

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note B
Summary of Significant Accounting Policies (Continued)

Contributions:

The Organization records unconditional promises to give (pledges) as receivables and contributions within the appropriate net asset category based on the existence or absence of donor-imposed restrictions. Contributions that are expected to be collected after one year are discounted at a discount rate commensurate with the risks involved and the period of time over which the contributions are expected to be collected. Amortization of any such discounts is recorded as additional contribution income in accordance with donor-imposed restrictions, if any, on the contributions. An allowance for doubtful contributions receivable is provided based upon management's judgment including such factors as prior collection history, type of contribution and current aging of contributions receivable. The Organization recognizes conditional promises to give when the conditions stipulated by the donor are substantially met.

Investments:

Investments are reported at their fair values in the statements of financial position. All equity securities held by the Organization are considered to be available-for-sale securities. Investment securities are exposed to various risks, such as interest rate risk, market risk and credit risk. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the accompanying financial statements.

Investment income and gains and losses on investments are recorded as increases or decreases in net assets without donor restriction, unless their use is restricted by explicit donor stipulations, or by law. Investment income and gains and losses on investments whose use is restricted by explicit donor stipulation, or by law, but whose restrictions expire in the same reporting period as earned, are reported as investment income without donor restriction.

Fair Value Measurements:

The Organization applies FASB ASC 820, *Fair Value Measurements* (ASC 820), which establishes a framework for measuring fair value and expands disclosure requirements about fair value measurements. ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 requires that valuation techniques maximize the use of observable inputs and minimize the use of unobservable inputs. ASC 820 also establishes a fair value hierarchy, which prioritizes the valuation inputs into three broad levels.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note B
Summary of Significant Accounting Policies (Continued)

The three general valuation techniques that may be used to measure fair value are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted market prices for similar assets or liability in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following are descriptions of the valuation methods and assumptions used by the Organization to estimate the fair values of certain financial instruments. There have been no changes to the methodologies used at December 31, 2023 and 2022:

Cash and cash equivalents: Fair values of money market funds are estimated to approximate deposit account balances, payable on demand, as no discounts for credit quality or liquidity were determined to be applicable (Level 1 inputs).

Fixed Income Securities: Fixed income securities are invested primarily in high grade fixed income securities, which are one to six years in duration. The fair values of these investments are not readily marketable but may be readily determinable by obtaining quoted prices on a nationally recognized securities exchanges (Level 1 inputs).

Equity Securities and Mutual Funds: Consist of mutual funds which are primarily invested in equity securities. The fair value of mutual funds are not readily marketable but may be readily determinable by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs).

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note B
Summary of Significant Accounting Policies (Continued)

Property and Equipment:

Property and equipment are stated at cost. Expenditures for minor additions of equipment are charged to expense when incurred. The Organization capitalizes interest as a component of the cost of property and equipment when the property and equipment is constructed using borrowed funds.

Depreciation is calculated using the straight-line method over the estimated useful lives of the respective assets, as follows:

Furniture and equipment	3 - 7 years
Leasehold improvements	15 years

Amortization is calculated using the straight-line method over the estimated useful lives of the respective assets as follows:

Video content	3 years
Website development costs	3 years
Database	3 years

Leases:

The Organization determines if an arrangement is a lease, or contains a lease, at inception of a contract and when the terms of an existing contract are changed. The Organization recognizes a lease liability and a right of use (ROU) asset at the commencement date of each lease. The lease liability is initially and subsequently recognized based on the present value of the contract's future lease payments.

Variable payments are included in the future lease payments when those variable payments depend on an index or a rate. The discount rate is the implicit rate, if it is readily determinable, or the Organization's incremental borrowing rate. The Organization's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment.

The Organization has elected to not recognize ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less at lease commencement and do not include an option to purchase the underlying asset that the Organization is reasonably certain to exercise. The Organization recognizes lease costs associated with its short-term leases on a straight-line basis over the lease term. When contracts contain lease and non-lease components, the Organization accounts for both components as a single lease component.

Advertising:

Advertising costs are expensed as incurred and paid. For the years ended December 31, 2023 and 2022, advertising expense totaled \$0 and \$6,325, respectively.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note B
Summary of Significant Accounting Policies (Continued)

Functional Expenses:

The Organization allocates its expenses on a functional basis among its programs and supporting services. Expenses that can be identified with a specific program or supporting service are allocated directly. Expenses common to several functions are allocated according to the formula developed by management.

Tax Exempt Status:

United Religion and the Foundation are recognized as public charities exempt from federal and state income taxes under Internal Revenue Code Section 501(c)(3) and Section 23701 of the California and Revenue Taxation Code. Accordingly, no provision has been made for such taxes in the accompanying combined financial statements. The Organization applies the guidance on accounting for uncertain tax provisions in FASB ASC 740 Income Taxes. The Organization is no longer subject to income tax examinations for tax years up to and including 2020.

Grant and Pledges Receivable:

The Organization recognizes all unconditional grants and pledges in the period notified. Conditional promises to give are recognized when the conditions on which they depend are substantially met. Amounts that are restricted by the donor/grantor are reported as increases in net assets with donor restrictions. When a restriction expires, net assets with donor restrictions are reclassified to net assets without donor restrictions.

Management uses the specific identification method for establishing an allowance for uncollectible receivables. No allowance was deemed necessary at December 31, 2023 and 2022. It is the Organization's policy to charge off uncollectible grant and pledge receivables when management determines the receivable will not be collected.

Intangible Assets and Amortization:

Capitalized costs of video content, website development and software are amortized on the straight-line method over an estimated useful life of three years.

In-Kind Contributions:

The Organization records contributed goods and services at fair value. Services are recorded if they:

1. The value for the contributed goods and services is recorded if they create or enhance a non-financial asset or,
2. Would typically need to be purchased by the Organization if the contributed goods and services had not been provided by contribution; they require special skills and are provided by individuals with those skills. During the years ended December 31, 2023 and 2022, the Organization recognized \$22,923 and \$28,409, respectively, in contributed goods and services.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note B
Summary of Significant Accounting Policies (Continued)

Grants and Contributions:

Contributions and grants are reflected in the accounts of the Organization when their receipt is reasonably assured. All contributions and grants are considered to be available for unrestricted use unless specifically restricted by the donor or granting agency.

The Organization reports grants of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, net assets with restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Organization reports grants of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Grants of long-lived assets with explicit restrictions that specify how the assets are to be used and grants of cash or other assets that must be used to acquire long-lived assets are reported as restricted support.

Note C
Liquidity and Availability of Resources

The Organization's financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statements of financial position date, comprise the following as of December 31:

	<u>2023</u>	<u>2022</u>
Financial assets available for general expenditure within one year:		
Cash and cash equivalents	\$ 834,068	\$ 567,292
Investments	5,264	2,767
Pledges receivable - current portion	535,595	69,394
Investments - strategic reserve portion	23,475	692,539
Endowment spending availability		
Board designated quasi-endowment at 5%	444,441	425,643
Restricted endowment funds at 4%	187,328	174,216
Less donor-imposed restricted amounts	<u>(28,201)</u>	<u>(194,867)</u>
Financial assets available	<u>\$ 2,001,970</u>	<u>\$ 1,736,984</u>

The Organization monitors its liquidity so that it is able to meet its operating needs and other contractual commitments. In addition to financial assets available for general expenditure within one year, the Organization operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures. Because the donor restrictions require resources to be used in a particular manner or in future periods, the Organization maintains sufficient resources to meet the responsibility to its donors. Thus, financial assets as they relate to donor restrictions may not be available for general expenditure within one year.

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note D
Investments

Investments consisted of the following as of December 31, 2023 and 2022:

	Assets at Fair Value as of December 31, 2023			
	Level 1	Level 2	Level 3	Total Fair Value
Cash and money market funds	\$ 231,384	\$ -	\$ -	\$ 231,384
Fixed income securities	-	2,254,035	-	2,254,035
Equities	5,764,077	-	-	5,764,077
Mutual funds - equities	4,255,222	-	-	4,255,222
REIT	19,928	-	-	19,928
Interest in partnerships	-	-	913,993	913,993
Interest in LLC	-	-	412,133	412,133
	<u>\$ 10,270,611</u>	<u>\$ 2,254,035</u>	<u>\$ 1,326,126</u>	<u>\$ 13,850,772</u>

	Assets at Fair Value as of December 31, 2022			
	Level 1	Level 2	Level 3	Total Fair Value
Cash and money market funds	\$ 446,067	\$ -	\$ -	\$ 446,067
Fixed income securities	-	1,765,645	-	1,765,645
Mutual funds - bonds	528,403	-	-	528,403
Equities	4,524,643	-	-	4,524,643
Mutual funds - Equities	5,123,989	-	-	5,123,989
REIT	28,484	-	-	28,484
Interest in partnerships	-	-	999,856	999,856
Interest in LLC	-	-	396,529	396,529
	<u>\$ 10,651,586</u>	<u>\$ 1,765,645</u>	<u>\$ 1,396,385</u>	<u>\$ 13,813,616</u>

Investments are reflected on the combined statements of financial position for the years ended December 31 as follows:

	2023	2022
Investments	\$ 5,264	\$ 2,767
Investments held for long-term purposes	<u>13,845,508</u>	<u>13,810,849</u>
Totals	<u>\$ 13,850,772</u>	<u>\$ 13,813,616</u>

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note D
Investments (Continued)

Investment income consisted of the following for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Interest and dividends	\$ 303,990	\$ 266,761
Realized gains (losses)	(247,624)	50,860
Unrealized gains (losses)	1,932,916	(3,284,087)
Investment fees	<u>(114,090)</u>	<u>(110,302)</u>
Totals	<u>\$ 1,875,192</u>	<u>\$ (3,076,768)</u>

Level 3 gains and losses: The level 3 investments include holdings in Keystone Real Estate Lending Fund, LLC, Kabouter International Insight Fund, LLC, Community EM Credit Fund L.P, and CIM Enterprise Loan Fund, L.P. The funds are valued based upon reports provided by the fund managers. The following table sets forth a summary of the changes in fair value of the Organization's Level 3 assets:

	<u>2023</u>	<u>2022</u>
Balance, beginning of year	\$ 1,396,385	\$ 680,813
Contributions	62,823	950,000
Withdrawals	(250,000)	-
Interest and dividends	13,359	-
Fees and taxes	(6,017)	(4,356)
Other activity	99,736	-
Realized gains (losses)	(12,835)	-
Unrealized gains (losses)	<u>22,675</u>	<u>(230,072)</u>
Balance, end of year	<u>\$ 1,326,126</u>	<u>\$ 1,396,385</u>

Note E
Pledges Receivable

Pledges receivable consist of the following at December 31:

<u>December 31, 2023</u>	<u>Current</u>	<u>Due in 2 - 5 Years</u>	<u>Total</u>
Donor restricted:			
Time-restricted	\$ 555,887	\$ 500,000	\$ 1,055,887
Discount to present value	<u>(20,292)</u>	<u>(39,759)</u>	<u>(60,051)</u>
	<u>\$ 535,595</u>	<u>\$ 460,241</u>	<u>\$ 995,836</u>
<u>December 31, 2022</u>	<u>Current</u>	<u>Due in 2 - 5 Years</u>	<u>Total</u>
Donor restricted:			
Time-restricted	<u>\$ 69,394</u>	<u>\$ -</u>	<u>\$ 69,394</u>

Pledges receivable are stated at their net present values based on a 4.23% discount rate.

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note F
Property and Equipment

The following is a summary of property and equipment at cost at December 31:

	<u>2023</u>	<u>2022</u>
Furniture and equipment	\$ 180,381	\$ 180,381
Leasehold improvements	11,747	11,747
Video content	400,557	400,557
Website development costs	217,483	217,483
Database	<u>82,311</u>	<u>82,311</u>
Totals	892,479	892,479
Less: accumulated depreciation and amortization	<u>(887,951)</u>	<u>(875,944)</u>
Property and equipment, net	<u>\$ 4,528</u>	<u>\$ 16,535</u>

Depreciation and amortization expense for the years ended December 31, 2023 and 2022, totaled \$12,007 and \$38,109, respectively.

Note G
Leases

The Company has obligations as a lessee for office space. All leases are classified as operating leases. Payments due under the lease contracts include mainly fixed payments. ASC 842 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less). As of December 31, 2023, the Company has no short-term lease expense.

The components of the leases for the years ended December 31, are as follows:

	<u>2023</u>	<u>2022</u>
Operating lease cost	\$ 20,861	\$ 108,237
Cash paid for amounts included in the measurement of lease liabilities - operating lease	\$ 17,067	\$ 108,237
Weighted-average remaining lease term - operating lease	3.33	0.25
Weighted-average discount rate - operating lease	4.00 %	2.05 %

Maturities of the lease liability under the noncancelable lease as of December 31, 2023, are as follows:

<u>Year Ending December 31</u>	
2024	\$ 26,283
2025	27,332
2026	28,002
2027	<u>9,387</u>
Total undiscounted lease payments	91,004
Less: imputed interest	<u>(5,776)</u>
Total lease liability	<u>\$ 85,228</u>

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note H

Net Assets Without Donor Restrictions

Net assets without donor restrictions include net assets designated by the Organization's Global Council. The designated quasi-endowment fund and the designated strategic reserve fund are intended as reserves for expenditures for permissible purposes of the Organization. These funds are to be invested to provide income for a long but unspecified period. Authorized expenditures for the quasi-endowment shall be no greater than 5% of the total market value of the quasi-endowment in any fiscal year. Authorized expenditures for the strategic reserve are not limited. The Global Council has the right at any time to authorize expenditures in accord with the applicable spending policy.

The designated reserve funds are invested in mutual funds, equity securities, government securities and corporate bonds. These investments are stated at fair value which is the value of the assets based on quoted market prices as of the last day of the fiscal year. Purchases and sales of securities are recorded on a trade-date basis.

Net assets without donor restrictions consisted of the following for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Available for operations	\$ <u>426,725</u>	\$ <u>70,433</u>
Board designated quasi-endowment	8,888,820	8,512,853
Board designated strategic reserve	23,475	692,539
Donor restricted funds held in Strategic Reserve	<u>(28,201)</u>	<u>(194,867)</u>
Total board designated	<u>8,884,094</u>	<u>9,010,525</u>
Total net assets without donor restriction	<u>\$ 9,310,819</u>	<u>\$ 9,080,958</u>

Changes in board designated net assets for the years ended December 31:

	<u>2023</u>	<u>2022</u>
Board designated net assets, beginning	\$ 9,010,525	\$ 11,345,454
Contributions	-	1,700,000
Investment return	187,239	192,469
Net realized and unrealized gains (losses)	1,082,514	(2,236,835)
Transfers	323,068	(10,443)
Fees	(75,918)	(80,120)
Expenditures	<u>(1,643,334)</u>	<u>(1,900,000)</u>
Board designated net assets, ending	<u>\$ 8,884,094</u>	<u>\$ 9,010,525</u>

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note I

Net Assets With Donor Restrictions

Net assets with donor restrictions consist of the following as of December 31, 2023:

	December 31, 2022	Contributions and Income	Released from Restrictions	December 31, 2023
Endowment funds - corpus	\$ 4,377,456	\$ -	\$ -	\$ 4,377,456
Endowment funds - earnings	228,000	674,816	(347,060)	555,756
Strategic Reserves	12,469	-	(12,469)	-
Strategic Reserves - D&C	14,132	-	(14,132)	-
Kramer - Membership	161,667	-	(161,667)	-
Kramer - COL	5,000	-	(5,000)	-
Kramer	-	1,439,948	(500,000)	939,948
Ambassador Fund	15,268	-	(13,133)	2,135
Peggy Olsen Fund	12,225	-	(6,551)	5,674
Semel Funds	500	-	-	500
Traveling Peace Academy	10,000	-	-	10,000
Porticus	145,450	100,000	(245,450)	-
Elder- Youth Initiative	1,750	-	-	1,750
LATAM - Sarowitz	-	100,000	-	100,000
UNEP - Asia	5,000	-	-	5,000
Shultz Fund for the Face- Face Meeting	-	267,359	(267,359)	-
Circle of Light	-	99,400	(99,400)	-
URI - MENA	6,342	24,235	(30,577)	-
URI - Youth	-	500	(500)	-
URI - Voices	-	525	(525)	-
	<u>\$ 4,995,259</u>	<u>\$ 2,706,783</u>	<u>\$ (1,703,823)</u>	<u>\$ 5,998,219</u>

UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022

Note I
Net Assets With Donor Restrictions (Continued)

Net assets with donor restrictions consist of the following as of December 31, 2022:

	December 31, 2021	Contributions and Income	Released from Restrictions	December 31, 2022
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Endowment funds - corpus	\$ 4,252,456	\$ 125,000	\$ -	\$ 4,377,456
Endowment funds - earnings	1,180,872	(952,872)	-	228,000
Time-restricted:				
Marcus	220,000	-	(220,000)	-
Strategic Reserves	12,469	-	-	12,469
Strategic Reserves - D&C	14,132	-	-	14,132
Kramer - Membership	161,667	-	-	161,667
Kramer - COL	5,000	-	-	5,000
Ambassador Fund	15,268	-	-	15,268
Peggy Olsen Fund	12,225	-	-	12,225
Semel Funds	500	-	-	500
Traveling Peace Academy	10,000	-	-	10,000
Porticus	82,405	100,000	(36,955)	145,450
Elder- Youth Initiative	1,750	-	-	1,750
Environment	-	4,000	(4,000)	-
UNEP - Asia	5,000	-	-	5,000
URI - MENA - Ethiopia	-	5,000	(5,000)	-
URI - Asia	400	-	(400)	-
URI - MENA	-	7,342	(1,000)	6,342
URI - Youth	-	500	(500)	-
URI - Voices	-	120	(120)	-
	<u>\$ 5,974,144</u>	<u>\$ (710,910)</u>	<u>\$ (267,975)</u>	<u>\$ 4,995,259</u>

Note J
Endowment

The Organization's endowment includes both donor-restricted endowment funds and a quasi-endowment fund designated by the Global Council to function similarly to an endowment. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function similarly to an endowment, are classified and reported based on the existence or absence of donor-imposed restrictions.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note J
Endowment (Continued)

Interpretation of Relevant Law:

The state of California adopted the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The Organization has interpreted UPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Organization classifies as endowment net assets (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not related to the corpus is classified as net assets with restrictions until amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor restricted endowment funds:

1. The duration and preservation of the fund.
2. The purpose of the Organization and the donor-restricted endowment fund.
3. General economic conditions.
4. The possible effect of inflation and deflation.
5. The expected total return from income and the appreciation of investments.
6. Other resources of the Organization.
7. The investment policies of the Organization.

Return Objectives and Risk Parameters:

The Organization has adopted investment and spending policies for endowment assets that strive to expand the purchasing power of the endowment fund while providing for distributions based on its spending policy. Endowment assets include those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period as well as board-designated funds. Under this policy, as approved by the Board of Directors, the endowment assets are invested in a manner that is intended to produce results that approximate the stated spending objectives plus the consumer price index assuming a moderate level of investment risk. Actual returns in any given year may vary from this amount with the primary objective for the Fund being preservation and growth of principal.

Spending Policy:

The Organization has a policy of distributing annually 5% of the endowment fund's previous 8 quarter rolling average. However, the Global Council have the right in any given year to spend any amount in excess or below this stated amount, as they deem appropriate.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note J
Endowment (Continued)

Strategies Employed for Achieving Objectives:

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

The composition of and changes in endowment net assets for the years ended December 31, 2023 and 2022, are as follows:

Endowment net assets, January 1, 2022	\$ 5,433,328
Contributions	125,000
Transfers	29,437
Interest and dividends	94,146
Net losses (realized and unrealized)	(1,040,600)
Fees	<u>(35,855)</u>
Endowment net assets, December 31, 2022	<u>\$ 4,605,456</u>
Endowment net assets January 1, 2023	\$ 4,605,456
Transfers	36,690
Release	(347,060)
Interest and dividends	102,179
Net gains (realized and unrealized)	573,632
Fees	<u>(37,685)</u>
Endowment net assets, December 31, 2023	<u>\$ 4,933,212</u>

Note K
Retirement Plan

In 2012, the Organization adopted the United Religions Initiative 403(b) Plan. Eligible employees are able to participate in the Plan on their first day of employment. The employer matches 5% of salary semi-monthly for each employee after 1 year of employment, and if an employee contributes at least of 4% of salary the employer will match an additional 4%.

Total contribution expense to the 403(b) Plan for the years ended December 31, 2023 and 2022, amounted to \$90,360 and \$66,955, respectively.

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2023 AND 2022**

Note L

Paycheck Protection Program Loan

In April 2020, the Organization received loan proceeds of \$275,735 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), provides for loans to qualifying organizations for amounts up to 2.5 times of the average monthly payroll expenses. The loan was forgiven in April 2023 and loan forgiveness was recognized as income for the year ending December 31, 2023.

Note M

Fundraising Event

The following is a summary of revenues and expenses related to the 2022-2023 Circle of Light event:

	December 31,	
	2023	2022
Revenues and contributions	\$ 99,400	\$ 5,000
Less expenses	68,098	-
Net income from fundraising event	\$ 31,302	\$ 5,000

Note N

Contingencies

The Organization is party to various matters that arise in the normal course of business. Management believes the resolution of these matters will not have a material impact on operations or its financial position.

Note O

Subsequent Events

Management considered all events through August 26, 2024, the date the financial statements were available for release, in preparing the financial statements and the related disclosures. The Organization is not aware of any other significant events that occurred subsequent to December 31, 2023, but prior to the issuance of this report, that would have a material impact on the financial statements.

SUPPLEMENTARY INFORMATION

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
COMBINING STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023**

<u>ASSETS</u>	<u>United Religions Initiative</u>	<u>United Religions Initiative Foundation</u>	<u>Eliminations</u>	<u>Total</u>
<u>Current assets</u>				
Cash and cash equivalents	\$ 834,068	\$ -	\$ -	\$ 834,068
Investments	5,264	-	-	5,264
Pledges receivable, net of discount	535,595	-	-	535,595
Prepaid Expenses	<u>85,803</u>	<u>-</u>	<u>-</u>	<u>85,803</u>
Total current assets	1,460,730	-	-	1,460,730
<u>Other assets</u>				
Investments held for long term	-	13,845,508	-	13,845,508
Investments held by Foundation	23,476	-	(23,476)	-
Pledges receivable, long term	460,241	-	-	460,241
Property and equipment, net	4,528	-	-	4,528
Other Assets	17,094	-	-	17,094
Beneficial interest in Foundation	13,822,032	-	(13,822,032)	-
Right of use asset, net	<u>63,022</u>	<u>-</u>	<u>-</u>	<u>63,022</u>
Total assets	<u>\$ 15,851,123</u>	<u>\$ 13,845,508</u>	<u>\$ (13,845,508)</u>	<u>\$ 15,851,123</u>
 <u>LIABILITIES AND NET ASSETS</u>				
<u>Current liabilities</u>				
Accounts Payable	\$ 354,989	\$ -	\$ -	\$ 354,989
Accrued Vacation Liability	96,868	-	-	96,868
Deferred Income	5,000	-	-	5,000
Lease liability	<u>23,367</u>	<u>-</u>	<u>-</u>	<u>23,367</u>
Total current liabilities	480,224	-	-	480,224
<u>Long-term liabilities</u>				
Investments held for Initiative	-	23,476	(23,476)	-
Lease liability	<u>61,861</u>	<u>-</u>	<u>-</u>	<u>61,861</u>
Total liabilities	<u>542,085</u>	<u>23,476</u>	<u>(23,476)</u>	<u>542,085</u>
<u>Net assets</u>				
Without donor restrictions	9,310,819	8,888,820	(8,888,820)	9,310,819
With donor restrictions	<u>5,998,219</u>	<u>4,933,212</u>	<u>(4,933,212)</u>	<u>5,998,219</u>
Total net assets	<u>15,309,038</u>	<u>13,822,032</u>	<u>(13,822,032)</u>	<u>15,309,038</u>
Total liabilities and net assets	<u>\$ 15,851,123</u>	<u>\$ 13,845,508</u>	<u>\$ (13,845,508)</u>	<u>\$ 15,851,123</u>

See independent auditors' report and notes to the combined financial statements

**UNITED RELIGIONS (DBA UNITED RELIGIONS INITIATIVE)
COMBINING STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	United Religions Initiative	United Religions Initiative Foundation	Eliminations	Total
<u>Revenues and other support</u>				
Grants and contributions	\$ 3,134,143	\$ 65,830	\$ -	\$ 3,199,973
Grant income from URI Foundation	1,230,956	-	(1,230,956)	-
In-kind contributions	22,923	-	-	22,923
Investment return, net of expenses	2,724	1,872,468	-	1,875,192
Other income	275,735	-	-	275,735
Equity in net earnings of Foundation	617,961	-	(617,961)	-
Other income	313	-	-	313
	<u>5,284,755</u>	<u>1,938,298</u>	<u>(1,848,917)</u>	<u>5,374,136</u>
<u>Operating expenses</u>				
Program services:				
Global Community Development	2,554,156	-	-	2,554,156
Global Community Council	220,713	-	-	220,713
Communications	251,030	-	-	251,030
Education and outreach	207,998	-	-	207,998
Environment	92,259	-	-	92,259
Grant payment to URI Foundation	-	1,230,956	(1,230,956)	-
	<u>3,326,156</u>	<u>1,230,956</u>	<u>(1,230,956)</u>	<u>3,326,156</u>
Supporting services:				
Management and general	482,903	-	-	482,903
Foundation	-	89,381	-	89,381
Fundraising	242,875	-	-	242,875
	<u>725,778</u>	<u>89,381</u>	<u>-</u>	<u>815,159</u>
	<u>4,051,934</u>	<u>1,320,337</u>	<u>(1,230,956)</u>	<u>4,141,315</u>
Change in net assets	1,232,821	617,961	(617,961)	1,232,821
Net assets at beginning of year	<u>14,076,217</u>	<u>13,204,071</u>	<u>(13,204,071)</u>	<u>14,076,217</u>
Net assets at end of year	<u>\$ 15,309,038</u>	<u>\$ 13,822,032</u>	<u>\$ (13,822,032)</u>	<u>\$ 15,309,038</u>

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